



RYAN AGREES TO RECONSIDER FUNDING DISTRIBUTION

MONTREAL / October 20, 1987 --- In an unprecedented meeting with Concordia's Board of Governors last night, Claude Ryan, Québec Minister of Higher Education and Science, admitted having "personal difficulties" with the funding formula devised to distribute additional funds to Québec universities.

Concordia's Governors requested the meeting October 5/87 in an angry telegram to Ryan after determining that the distribution proposed by the Minister retained a formula which reduces Concordia's historically documented underfunding to a "minimal level." (See attached "fact sheet").

"We had already informed the Minister that we cannot accept such a conclusion; it flies in the face of every fact recorded in numerous studies conducted during the past decade," says Concordia Rector and Vice-Chancellor Patrick Kenniff.

At last night's meeting the Governors described parts of the formula as "illogical" and "indefensible". (See the attached sheet entitled "Numbers tell the story").

"The Board members told the Minister that a distribution which leaves Concordia University in a worse situation relative to its sister institutions is totally unacceptable after all these years of broken promises and inequitable treatment," Kenniff said.

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The monies contained in the base funding portion of the package are relatively modest. They are also the only part of the proposal that will have a recurring impact on the universities' ongoing revenues.

The "historical formula" used for the funding of Québec universities has already resulted in an estimated loss of revenue of \$100 million for Concordia and the fueling of a \$31.5 million accumulated deficit.

Mr. Ryan told the Board of Governors that he would "reconsider" the distribution of a portion of the \$15 million allotted to base funding, and that he would forward his decision on the matter "shortly."

Media representatives requiring additional information should contact Public Relations Director Ken Whittingham at (514) 848-4879.

CONCORDIA UNIVERSITY UNDERFUNDING

F A C T S H E E T

- 1) Concordia has been underfunded since its inception in 1974; in recent years the amount of the per capita shortfall has hovered at about \$1,300, meaning that Concordia has received \$1,300 less in operating funds -- per student -- than the average amount given other universities -- per capita -- to teach their students; the shortfall this year has risen to \$1,350 per student;

- 2) Specifically, Commerce and Administration students at Concordia are funded at a level that is 36% below the Québec average; the level for engineering and computer science students is 28% below the average; education students are 25% below the average; science students are 18% below; fine arts students 15% below, and on and on it goes;

- 3) This historic disparity has cost Concordia upwards of \$100 million in lost revenues during the 13 years since the merger between Loyola College and Sir George Williams University;

- 4) Higher Education and Science Minister Claude Ryan has just offered Concordia \$183,000 to help compensate for the past 13 years of underfunding -- \$183,000 for \$100 million;

5) Concordia's case for an equitable funding formula has been well documented -- and clearly established -- in study after study prepared during the past decade by the Québec government, the Conseil des Universités, and other recognized authorities;

6) Yet the very university that every government study has acknowledged as being severely underfunded finds itself at the bottom of the rung, once again, when funds are being distributed to help alleviate chronic underfunding;

7) This past April, Concordia thought it had finally received some good news; Québec Finance Minister Gérard D. Lévesque announced in his budget speech that the government had set aside \$40 million in additional funding (both in 1987-88 and 1988-89); of this amount, \$15 million was to be allotted each year to begin to close the gap that exists in the base funding of Québec universities;

8) \$25 million of the \$40 million was siphoned off from the top -- not to reduce the disparity in base funding between "have" and "have-not" universities -- but to help compensate for recent cutbacks at all Québec universities; the money was divided into two segments (\$10 million for capital expenditures such as scientific equipment and library acquisitions and \$15 million for a "one-shot" injection of money to help reduce accumulated deficits and the indirect costs of research);

9) Final details about the division of the remaining \$15 million -- which was supposed to be added to the base budgets of underfunded universities like Concordia -- were revealed "in confidence" to Québec's university rectors at a meeting with Ryan on September 28/87;

10) Ryan told the rectors that only one-quarter of the promised \$15 million in new money for base funding would be given to the have-not universities (approximately \$3.75 million), and of that amount Concordia would receive the ridiculously low sum of \$183,000 -- 4.9% of the money available;

11) In other words, during the past several weeks Concordia has seen the government's financial aid package shrink from \$15 million, to \$3.75 million, to a token amount of \$183,000;

12) The government arrived at the \$183,000 figure for Concordia using criteria that can only be described as "bizarre" at best and, at worst, "illogical."

13) As incredible as it may seem, Concordia actually finds itself worse off (in relation to the Québec average) AFTER the injection of \$15 million in new money, because we will be receiving \$16 less per capita than before in relation to the per capita funding at all other Québec universities;

14) Another way of explaining what has happened is that under the Ryan formula, Concordia will still receive about \$1,350 less than the provincial average -- per student;

15) Multiplied by Concordia's current full-time equivalent (FTE) student population of 17,000 (the actual student enrolment is 26,000), this per capita shortfall of \$1,350 will result in the loss of tens of millions of dollars in revenue down through the years, and add to Concordia's ever-growing accumulated deficit;

16) Had Ryan allotted Concordia its fair share of the \$40 million set aside in last April's provincial budget to correct inequities in university funding -- using relevant criteria based on the government's own studies -- Concordia could have received as much as \$8 million this year alone;

17) Concordia University's accumulated deficit (which passed the \$31 million mark last May 31st) is a direct result of chronic underfunding in relation to the provincial average; Ryan's failure to correct the inequity in Concordia's base funding will add an additional \$5 million annually to Concordia's deficit;

18) If adopted as is, Ryan's allocation of funds will not only penalize Concordia for all of the cost-savings and emergency financial measures that have been implemented here during the past 13 years, it will further hinder this University's struggle to provide all members of the Concordia community with the level of services and support that they deserve.

19) Your support of the plan of action adopted at today's general assemblies is essential to prevent the Ryan formula from being implemented; Concordia is counting on you!

October 20, 1987